

STATEMENT OF THE HONORABLE ROBERT J. HENKE
ASSISTANT SECRETARY FOR MANAGEMENT
U.S. DEPARTMENT OF VETERANS AFFAIRS (VA)

BEFORE THE COMMITTEE ON SMALL BUSINESS
U.S. HOUSE OF REPRESENTATIVES

AUGUST 2, 2007

Madam Chair, Committee members, I appreciate the opportunity to discuss VA's unwavering commitment to increasing contracting opportunities for local small business participation in rebuilding New Orleans and the greater Gulf Coast region. In the aftermath of Hurricane Katrina, we too would like to see a sustainable economic recovery in New Orleans and the rest of the Gulf Coast Region.

I am honored to represent Secretary Nicholson, Deputy Secretary Mansfield and the dedicated employees throughout the Department of Veterans Affairs who serve our veterans daily.

On April 12, 2007, the Honorable Patrick W. Dunne, VA's Assistant Secretary for Policy and Planning, provided testimony to this committee regarding VA's ongoing commitment to small businesses in New Orleans and the greater Gulf Coast region. I will use my time this morning to provide an update on our accomplishments to date.

VA has been active in our outreach efforts to small businesses in the southeast region. On May 8-10, 2007, VA attended the Vicksburg, Mississippi Business Procurement Opportunities Conference and Trade Fair, sponsored by the Mississippi Development Authority and the Mississippi Procurement Technical Assistance Program. VA representatives spoke with over 200 small businesses regarding business opportunities with VA for hurricane clean-up as well as ongoing operational opportunities.

VA also participated in the "Post Katrina Economic Development Summit" in New Orleans on June 5-7, 2007, hosted by the National Community Development Organization, Inc. VA's Office of Small and Disadvantaged Business Utilization and VA's Gulf Coast Veterans Healthcare System representatives discussed VA's contracting opportunities with over 300 small businesses. Firms were provided information, process guidance and networking opportunities for VA Post Katrina recovery opportunities. Since the hearing on April 12th, VA has participated in nine outreach events in the Gulf Coast region to discuss small business opportunities with local small businesses. Conferences attended have been located in Florida (2), Georgia (2), Alabama (1), Mississippi (1), Louisiana (2) and Texas (1). We have three more planned in Texas before the end of this calendar year. Additionally, VA will participate in the General Services Administration's 3rd Annual Service-Disabled Veteran-Owned Small Business Conference in New Orleans, LA on August 9, 2007.

During the hearing on April 12th, this Committee asked each agency to commit to working with the Small Business Administration (SBA) to identify five prime contracting opportunities that targeted local small businesses. VA worked with SBA and provided the list to SBA and this Committee on June 28, 2007. I would like to provide the Committee with an update of these projects:

1. VA Medical Center Biloxi, MS: Parking lot design/build: Solicitation package has been released to a Local 8(a) firm. Projected Award Date: August 2007
2. VA Medical Center New Orleans, LA, Rebuild Pharmacy: 8(a) negotiations have been completed. Projected award date: August 2007.
3. VA Medical Center New Orleans, LA, Roof Repair: A local Service Disabled Veteran Owned Small Business (SDVOSB) has been identified. Projected award date: September 2007
4. VA Medical Center New Orleans, LA, Demolition of Bldg 2: A local SDVOSB has been identified. Projected award date: September 2007
5. VA Medical Center Gulfport, MS, Tank Removal & Remediation: An SDVOSB set-aside is planned. Projected award date: September 2007

In addition, on May 25, 2007, an 8(a) contractor was awarded a \$1.5 million change order to expand demolition work at the VAMC, Gulfport, MS.

At the April hearing, Assistant Secretary Dunne shared with this Committee the FY 2006 small business accomplishment of the South Central VA Healthcare Network. Through June 30, 2007, the network has spent approximately \$266 million, 33 percent, with small businesses to include 12 percent with small disadvantaged and 8(a) firms.

In closing I want to reassure you VA is committed to small businesses in general, and to those in the Gulf Coast region in particular. Thank you for convening today's hearing. I will answer any questions you or other members of the Committee may have.